SENATE, No. 2325

STATE OF NEW JERSEY

213th LEGISLATURE

INTRODUCED OCTOBER 27, 2008

Sponsored by: Senator THOMAS H. KEAN, JR. District 21 (Essex, Morris, Somerset and Union)

SYNOPSIS

Establishes new limits for campaign contributions by individuals, certain groups and campaign committees.

CURRENT VERSION OF TEXT

As introduced.



AN ACT concerning campaign contribution limits for individuals, certain groups and campaign committees, and amending and supplementing various parts of the statutory law.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

- 1. Section 2 of P.L.2004, c.174 (C.19:44A-7.3) is amended to read as follows:
- 2. a. No later than July 1 of each year preceding any year in which a general election is to be held to fill the office of Governor for a four-year term, the commission shall issue a report setting forth its recommendations for the adjustment of the amounts, set forth in subsection b. of this section and applicable to P.L.1973, c.83 (C.19:44A-1 et seq.), to primary and general elections for any public office other than the office of Governor, to limitations on contributions [to and from political committees, continuing political committees, <u>between</u> candidate committees, joint candidates committees, political party committees and legislative leadership committees and to other amounts, at a percentage which shall be the same as the percentage of change that the commission applies to the amounts used for the primary and general elections for the office of Governor held in the third year preceding the year in which that December 1 occurs, pursuant to section 19 of P.L.1980, c.74 (C.19:44A-7.1). Any amount so recommended for adjustment shall be rounded in the same manner as provided in that section.
 - b. The amounts to be recommended for adjustment as provided under this section shall be:
 - (1) [the maximum amount of contributions permitted to be made by an individual, a corporation or labor organization to a candidate, candidate committee or joint candidates committee, the maximum amount of contributions permitted to be made by a political committee or a continuing political committee to a candidate, candidate committee or joint candidates committee other than the committee of a candidate for nomination or election to the office of Governor and] the maximum amount of contributions permitted to be made by one candidate, candidate committee or joint candidates committee, other than the committee of a candidate for nomination or election to the office of Governor, to another candidate, candidate committee or joint candidates committee of a candidate for nomination or election to the office of Governor pursuant to section 18 of P.L.1993, c.65 (C.19:44A-11.3);

- (2) the maximum amount of contributions permitted to be made by [an individual, corporation, labor organization, political committee, continuing political committee, <u>]</u> a candidate committee or joint candidates committee [or any other group] to any political party committee or any legislative leadership committee pursuant to section 19 of P.L.1993, c.65 (C.19:44A-11.4); and
- (3) the maximum amount of contributions permitted to be made by a candidate, candidate committee or joint candidates committee to a political committee or a continuing political committee and the maximum amount of contributions permitted to be made by one political committee or continuing political committee to another political committee or continuing political committee pursuant to section 20 of P.L.1993, c.65 (C.19:44A-11.5).
- c. No later than July 15 of each year preceding any year in which a general election is to be held to fill the office of Governor for a four-year term, the commission shall transmit a copy of its report to each member of the Legislature and make public its recommended adjustment of limits pursuant to this section. The Legislature shall have the option of adopting all or part of the recommended adjustments by the passage of appropriate legislation. (cf: P.L.2004, c.174, s.2)

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- 2. (New section) a. Not later than December 1 of each year preceding any year in which a general election is to be held to fill the office of Governor for a four-year term, the Election Law Enforcement Commission shall adjust the amounts, set forth in subsection b. of this section, which shall be applicable under P.L.1973, c.83 (C.19:44A-1 et seq.) to primary and general elections for any public office other than the office of Governor at a percentage which shall be the same as the rate of annual percentage increase over four years, rounded to the nearest half-percent, in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, computed and published quarterly by the United States Department of Commerce, Bureau of Economic Analysis, based upon the average of the annual increase therein at the fourth quarter which occurred in the next preceding local fiscal year for the preceding four years.
- The amounts subject to adjustment as provided under this section shall be:
- (1) the maximum total amount of contributions permitted to be made by an individual, a corporation or labor organization to a candidate, candidate committee or joint candidates committee, the maximum amount of contributions permitted to be made by a political committee or a continuing political committee to a candidate, candidate committee or joint candidates committee other than the committee of a candidate for nomination or election to the office of Governor;

- (2) the maximum total amount of contributions permitted to be made by an individual, corporation, labor organization, political committee, continuing political committee, or any other group to any other political committee or continuing political committee, or any political party committee or legislative leadership committee pursuant to section 19 of P.L.1993, c.65 (C.19:44A-11.4).
- c. Not later than December 15 of each year preceding any year in which a general election is to be held to fill the office of Governor for a four-year term, the commission shall report to the Legislature and make public its adjustment of limits in accordance with the provisions of this section. Whenever, following the transmittal of that report, the commission shall have notice that a person has declared as a candidate for nomination for election or for election to any public office in a forthcoming primary or general election, it shall promptly notify that candidate of the amounts of those adjusted limits.

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3. Section 18 of P.L.1993, c.65 (C.19:44A-11.3) is amended to read as follows:

18. a. No individual, other than an individual who is a candidate, no corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States, no labor organization of any kind which exists or is constituted for the purpose, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, no political committee, no continuing political committee, or any group shall: (1) pay or make any [contribution] contributions of money or other thing of value to [a candidate] candidates who [has] have established only a candidate committee, This campaign treasurer, deputy campaign treasurer or candidate committee] which in the aggregate [exceeds \$2,600 per election exceed \$15,000 per year for all candidates, or (2) pay or make any contribution of money or other thing of value to candidates who have established only [a] joint candidates Committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee] committees, which in the aggregate [exceeds \$2,600 per election per candidate] exceed \$15,000 per year for all candidates, or (3) pay or make any contribution of money or other thing of value to [a candidate] candidates who [has] have established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee] which in the aggregate [exceeds \$2,600 per election] exceed \$15,000 per year for all candidates. No [candidate] candidates who [has] have established only a candidate committee [, his campaign

1 treasurer, deputy campaign treasurer or candidate committee] shall 2 knowingly accept from an individual, other than an individual who 3 is a candidate, a corporation of any kind organized and incorporated 4 under the laws of this State or any other state or any country other 5 than the United States, a labor organization of any kind which exists 6 or is constituted for the purpose, in whole or in part, of collective 7 bargaining, or of dealing with employers concerning the grievances, 8 terms or conditions of employment, or of other mutual aid or 9 protection in connection with employment, a political committee, a 10 continuing political committee or any group any [contribution] 11 contributions of money or other thing of value which in the 12 aggregate [exceeds \$2,600 per election] exceed \$15,000 per year 13 for all candidates, and no candidates who have established only [a] 14 joint candidates [committee, or their campaign treasurer, deputy 15 campaign treasurer, or joint candidates committee, committees shall knowingly accept from any such source any [contribution] 16 17 contributions of money or other thing of value which in the 18 aggregate [exceeds \$2,600 per election per candidate] exceed 19 \$15,000 per year for all candidates, and no [candidate] candidates 20 who [has] have established both a candidate committee and a joint 21 candidates [committee, the campaign treasurers, deputy campaign 22 treasurers, or candidate committee or joint candidates committee] 23 committees, shall knowingly accept from any such source any 24 [contribution] <u>contributions</u> of money or other thing of value which 25 in the aggregate [exceeds \$2,600 per election] exceed \$15,000 per 26 year for all candidates. 27

b. **[**(1) No political committee or continuing political committee shall: (a) pay or make any contribution of money or other thing of value to a candidate who has established only a candidate committee, his campaign treasurer, deputy campaign treasurer or candidate committee, other than a candidate for nomination for election or for election for the office of Governor, which in the aggregate exceeds \$8,200 per election, or (b) pay or make any contribution of money or other thing of value to candidates who have established only a joint candidates committee, their campaign treasurer or deputy campaign treasurer, or the joint candidates committee, which in the aggregate exceeds \$8,200 per election per candidate, or (c) pay or make any contribution of money or other thing of value to a candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee, which in the aggregate exceeds \$8,200 per election. No candidate who has established only a candidate committee, his campaign treasurer, deputy campaign treasurer or candidate committee, other than a candidate for nomination for election or for election for the office of Governor, shall knowingly

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accept from any political committee or continuing political committee any contribution of money or other thing of value which in the aggregate exceeds \$8,200 per election, and no candidates who have established only a joint candidates committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee, shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$8,200 per election per candidate, and no candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$8,200 per election.

(2) The limitation upon the knowing acceptance by a candidate, campaign treasurer, deputy campaign treasurer, committee or joint candidates committee of any contribution of money or other thing of value from a political committee or continuing political committee under the provisions of paragraph (1) of this subsection shall also be applicable to the knowing acceptance of any such contribution from Notwithstanding the provisions of subsection a. of this section, the county committee of a political party [by] shall be permitted to make contributions of \$8,200 per year in the aggregate to a candidate or the campaign treasurer, deputy campaign treasurer, candidate committee or joint candidates committee of a candidate for any elective public office in another county or, in the case of a candidate for nomination for election or for election to the office of member of the Legislature, in a legislative district in which, according to the federal decennial census upon the basis of which legislative districts shall have been established, less than 20% of the population resides within the county of that county committee. In addition, all contributor reporting requirements and other restrictions and regulations applicable to a contribution of money or other thing of value by a political committee or continuing political committee under the provisions of P.L.1973, c.83 (C.19:44A-1 et al.) shall likewise be applicable to the making or payment of such a contribution by such a county committee.

The limitation upon the knowing acceptance by a candidate, campaign treasurer, deputy campaign treasurer, committee or joint candidates committee of any contribution of money or other thing of value from a political committee or continuing political committee under the provisions of paragraph (1) of this subsection, except that the amount of any contribution of money or other thing of value shall be in an amount which in the aggregate does not exceed \$25,000, shall also be applicable to the acceptance of any such contribution knowing Notwithstanding the provisions of subsection a. of this section, the

county committee of a political party [by] shall be permitted to make contributions of \$25,000 per year in the aggregate to a candidate, or the campaign treasurer, deputy campaign treasurer, candidate committee or joint candidates committee of a candidate, for nomination for election or for election to the office of member of the Legislature in a legislative district in which, according to the federal decennial census upon the basis of which legislative districts shall have been established, at least 20% but less than 40% of the population resides within the county of that county committee. In addition, all contributor reporting requirements and other restrictions and regulations applicable to a contribution of money or other thing of value by a political committee or continuing political committee under the provisions of P.L.1973, c.83 (C.19:44A-1 et al.) shall likewise be applicable to the making or payment of such a contribution by such a county committee.

With respect to the limitations in this paragraph, the Legislature finds and declares that:

- (a) Persons making contributions to the county committee of a political party have a right to expect that their money will be used, for the most part, to support candidates for elective office who will most directly represent the interest of that county;
- (b) The practice of allowing a county committee to use funds raised with this expectation to make unlimited contributions to candidates for the Legislature who may have a limited, or even nonexistent, connection with that county serves to undermine public confidence in the integrity of the electoral process;
- (c) Furthermore, the risk of actual or perceived corruption is raised by the potential for contributors to circumvent limits on contributions to candidates by [funnelling] funneling money to candidates through county committees;
- (d) The State has a compelling interest in preventing the actuality or appearance of corruption and in protecting public confidence in democratic institutions by limiting amounts which a county committee may contribute to legislative candidates whose districts are not located in close proximity to that county; and
- (e) It is, therefore, reasonable for the State to promote this compelling interest by limiting the amount a county committee may give to a legislative candidate based upon the degree to which the population of the legislative district overlaps with the population of that county.
- c. (1) No candidate who has established only a candidate committee, his campaign treasurer, deputy treasurer or candidate committee shall (a) pay or make any contribution of money or other thing of value to another candidate who has established only a candidate committee, his campaign treasurer, deputy campaign treasurer or candidate committee, other than a candidate for nomination for election or for election for the office of Governor, which in the aggregate exceeds \$8,200 per election, or (b) pay or

1 make any contribution of money or other thing of value to 2 candidates who have established only a joint candidates committee, 3 their campaign treasurer, deputy campaign treasurer, or joint 4 candidates committee, which in the aggregate exceeds \$8,200 per 5 election per candidate in the recipient committee, or (c) pay or 6 make any contribution of money or other thing of value to a 7 candidate who has established both a candidate committee and a 8 joint candidates committee, the campaign treasurers, deputy 9 campaign treasurers, or candidate committee or joint candidates 10 committee, which in the aggregate exceeds \$8,200 per election. No 11 candidate who has established only a candidate committee, his 12 campaign treasurer, deputy campaign treasurer or candidate 13 committee, other than a candidate for nomination for election or for 14 election to the office of the Governor, shall knowingly accept from 15 another candidate who has established only a candidate committee, 16 his campaign treasurer, deputy campaign treasurer or candidate 17 committee, any contribution of money or other thing of value which 18 in the aggregate exceeds \$8,200 per election, and no candidates who 19 have established only a joint candidates committee, their campaign 20 treasurer, deputy campaign treasurer, or joint candidates committee, 21 shall knowingly accept from any such source any contribution of 22 money or other thing of value which in the aggregate exceeds 23 \$8,200 per election per candidate in the recipient committee, and no 24 candidate who has established both a candidate committee and a 25 joint candidates committee, the campaign treasurers, deputy 26 campaign treasurers, or candidate committee or joint candidates 27 committee, shall knowingly accept from any such source any 28 contribution of money or other thing of value which in the 29 aggregate exceeds \$8,200 per election. 30

(2) No candidates who have established only a joint candidates committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee shall (a) pay or make any contribution of money or other thing of value to another candidate who has established only a candidate committee, his campaign treasurer, deputy campaign treasurer or candidate committee, other than a candidate for nomination for election or for election for the office of Governor, which in the aggregate exceeds, on the basis of each candidate in the contributing joint candidates committee, \$8,200 per election, or (b) pay or make any contribution of money or other thing of value to candidates who have established only a joint candidates committee, their campaign treasurer, deputy campaign treasurer or joint candidates committee, which in the aggregate exceeds, on the basis of each candidate in the contributing joint candidates committee, \$8,200 per election per candidate in the recipient joint candidates committee, or (c) pay or make any contribution of money or other thing of value to a candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers or

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candidate committee or joint candidates committee, which in the aggregate exceeds, on the basis of each candidate in the contributing joint candidates committee, \$8,200 per election. No candidate who has established only a candidate committee, his campaign treasurer, deputy campaign treasurer, or candidate committee, other than a candidate for nomination for election or for election for the office of Governor, shall knowingly accept from other candidates who have established only a joint candidates committee, their campaign treasurer, deputy campaign treasurer or joint candidates committee, any contribution of money or other thing of value which in the aggregate exceeds, on the basis of each candidate in the contributing committee, \$8,200 per election, and no candidates who have established only a joint candidates committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee, shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds, on the basis of each candidate in the contributing joint candidates committee, \$8,200 per election per candidate in the recipient joint candidates committee, and no candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee, shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds, on the basis of each candidate in the contributing joint candidates committee, \$8,200 per election.

(3) No candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee shall (a) pay or make any contribution of money or other thing of value to another candidate who has established only a candidate committee, his campaign treasurer, deputy campaign treasurer or candidate committee, other than a candidate for nomination for election or for election for the office of Governor, which in the aggregate exceeds \$8,200 per election, or (b) pay or make any contribution of money or other thing of value to candidates who have established only a joint candidates committee, their campaign treasurer, deputy campaign treasurer or joint candidates committee, which in the aggregate exceeds \$8,200 per election per candidate in the recipient joint candidates committee, or (c) pay or make any contribution of money or other thing of value to a candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee, which in the aggregate exceeds \$8,200 per election. No candidate who has established only a candidate committee, his campaign treasurer, deputy campaign treasurer, or candidate committee, other than a candidate for nomination for

election or for election for the office of Governor, shall knowingly accept from a candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee, any contribution of money or other thing of value which in the aggregate exceeds \$8,200 per election, and no candidates who have established only a joint candidates committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee, shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$8,200 per election per candidate in the recipient joint candidates committee, and no candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$8,200 per election.

- (4) Expenditures by a candidate for nomination for election or for election to the office of member of the Legislature or to an office of a political subdivision of the State, or by the campaign treasurer, deputy treasurer, candidate committee or joint candidates committee of such a candidate, which are made in furtherance of the nomination or election, respectively, of another candidate for the same office in the same legislative district or the same political subdivision shall not be construed to be subject to any limitation under this subsection; for the purposes of this sentence, the offices of member of the State Senate and member of the General Assembly shall be deemed to be the same office.
- d. Nothing contained in this section shall be construed to impose any limitation on contributions by a candidate, or by a corporation, 100% of the stock in which is owned by a candidate or the candidate's spouse, child, parent or sibling residing in the same household, to that candidate's campaign.
- e. For the purpose of determining the amount of a contribution to be attributed as given to or by each candidate in a joint candidates committee, the amount of the contribution to or by such a committee shall be divided equally among all the candidates in the committee.
- 39 (cf: P.L.2004, c.174, s.3)

- 4. Section 19 of P.L.1993, c.65 (C.19:44A-11.4) is amended to read as follows:
- 19. a. (1) Except as otherwise provided in paragraph (2) of this subsection, no individual, no corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States, no labor organization of any kind which exists or is constituted for the purpose, in whole or in part, of collective bargaining, or of dealing with employers

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1 concerning the grievances, terms or conditions of employment, or 2 of other mutual aid or protection in connection with employment, no political committee, continuing political committee, [candidate 3 4 committee or joint candidates committee or any other group, I shall 5 pay or make any [contribution] contributions of money or other 6 thing of value to [the campaign treasurer, deputy treasurer or other 7 representative of the State [committee] committees of [a] 8 political [party] parties, the county committees of political parties, 9 the municipal committee of political parties or [the campaign 10 treasurer, deputy campaign treasurer or other representative of] any 11 leadership committees, political legislative committee 12 committees or continuing political committees, which in the 13 aggregate [exceeds \$25,000] exceed \$50,000 per year[, or in the 14 case of a joint candidates committee when that is the only 15 committee established by the candidates, \$25,000 per year per 16 candidate in the joint candidates committee, or in the case of a 17 candidate committee and a joint candidates committee when both 18 are established by a candidate, \$25,000 per year from that 19 candidate] in total to all such entities. No [campaign treasurer, 20 deputy campaign treasurer or other representative of the] State 21 [committee] committees of [a] political [party] parties, county 22 committees of political parties, municipal committees of political 23 parties or [campaign treasurer, deputy campaign treasurer or other 24 representative of any legislative leadership committee 25 committees, political committees or continuing political committees shall knowingly accept from an individual, a corporation of any 26 27 kind organized and incorporated under the laws of this State or any 28 other state or any country other than the United States, a labor 29 organization of any kind which exists or is constituted for the 30 purpose, in whole or in part, of collective bargaining, or of dealing 31 with employers concerning the grievances, terms or conditions of 32 employment, or of other mutual aid or protection in connection with 33 employment, a political committee, a continuing political 34 committee [, a candidate committee or a joint candidates committee 35 or any other group, any [contribution] contributions of money or 36 other thing of value which in the aggregate [exceeds \$25,000] 37 exceed \$50,000 per year [, or in the case of a joint candidates 38 committee when that is the only committee established by the 39 candidates, \$25,000 per year per candidate in the joint candidates 40 committee, or in the case of a candidate committee and a joint 41 candidates committee when both are established by a candidate, 42 \$25,000 per year from that candidate in total to all such entities. 43

(2) No national committee of a political party shall pay or make any contribution of money or other thing of value to the campaign treasurer, deputy treasurer or other representative of the State committee of a political party which in the aggregate exceeds

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\$72,000 per year, and no campaign treasurer, deputy campaign treasurer or other representative of the State committee of a political party shall knowingly accept from the national committee of a political party any contribution of money or other thing of value which in the aggregate exceeds \$72,000 per year.

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b. [No individual, no corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States, no labor organization of any kind which exists or is constituted for the purpose, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, no political committee, continuing political committee, candidate committee or joint candidates committee or any other group, shall pay or make any contribution of money or other thing of value to any county committee of a political party, which in the aggregate exceeds \$37,000 per year, or in the case of a joint candidates committee when that is the only committee established by the candidates, \$37,000 per year per candidate in the joint candidates committee, or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$37,000 per year from that candidate. No campaign treasurer, deputy campaign treasurer or other representative of a county committee of a political party shall knowingly accept from an individual, a corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States, a labor organization of any kind which exists or is constituted for the purpose, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, a political committee, a continuing political committee, a candidate committee or a joint candidates committee or any other group, any contribution of money or other thing of value which in the aggregate exceeds \$37,000 per year, or in the case of a joint candidates committee when that is the only committee established by the candidates, \$37,000 per year per candidate in the joint candidates committee, or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$37,000 per year from that candidate. I (Deleted by amendment, P.L., c.). (pending before the Legislature as this bill)

c. [No individual, no corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States, no labor organization of any kind which exists or is constituted for the purpose, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment,

no political committee, continuing political committee, candidate committee or joint candidates committee or any other group shall pay or make any contribution of money or other thing of value to any municipal committee of a political party, which in the aggregate exceeds \$7,200 per year, or in the case of a joint candidates committee when that is the only committee established by the candidates, \$7,200 per year per candidate in the joint candidates committee, or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$7,200 per year from that candidate. No campaign treasurer, deputy campaign treasurer or other representative of a municipal committee of a political party shall knowingly accept from an individual, a corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States, a labor organization of any kind which exists or is constituted for the purpose, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, a political committee, a continuing political committee, a candidate committee or a joint candidates committee or any other group, any contribution of money or other thing of value which in the aggregate exceeds \$7,200 per year, or in the case of a joint candidates committee when that is the only committee established by the candidates, \$7,200 per year per candidate in the joint candidates committee, or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$7,200 per year from that candidate.

No county committee of a political party in any county shall pay or make any contribution of money or other thing of value to a municipal committee of a political party in a municipality not located in that county which in the aggregate exceeds the amount of aggregate contributions which, under this subsection, a continuing political committee is permitted to pay or make to a municipal committee of a political party. No campaign treasurer, deputy campaign treasurer or other representative of a municipal committee of a political party in any municipality shall knowingly accept from any county committee of a political party in any county other than the county in which the municipality is located any contribution of money or other thing of value which in the aggregate exceeds the amount of contributions permitted to be so paid or made under that subsection. I (Deleted by amendment, P.L. , c.). (pending before the Legislature as this bill)

d. For the purpose of determining the amount of a contribution to be attributed as given by each candidate in a joint candidates committee, the amount of the contribution by such a committee shall be divided equally among all the candidates in the committee.

(cf: P.L.2004, c.174, s.4)

5. Section 20 of P.L.1993, c.65 (C.19:44A-11.5) is amended to read as follows:

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3 a. No candidate who has established only a candidate 4 committee, his campaign treasurer, deputy treasurer or candidate 5 committee shall pay or make any contribution of money or other 6 thing of value to a political committee, other than a political 7 committee which is organized to, or does, aid or promote the 8 passage or defeat of a public question in any election, or a 9 continuing political committee, which in the aggregate exceeds, in 10 the case of such a political committee, \$7,200 per election, or in the 11 case of a continuing political committee, \$7,200 per year, and no 12 candidates who have established only a joint candidates committee, 13 their campaign treasurer, deputy campaign treasurer or joint 14 candidates committee shall pay or make any contribution of money 15 or other thing of value to such a political committee or continuing 16 political committee which in the aggregate exceeds, in the case of 17 such a political committee, \$7,200 per election per candidate in the 18 joint candidates committee, or in the case of a continuing political 19 committee, \$7,200 per year per candidate in the joint candidates 20 committee, and no candidate who has established both a candidate 21 committee and a joint candidates committee shall pay or make any 22 contribution of money or other thing of value which in the 23 aggregate exceeds, in the case of such a political committee, \$7,200 24 per election from that candidate, or in the case of a continuing 25 political committee, \$7,200 per year from that candidate. 26 political committee, other than a political committee which is 27 organized to, or does, aid or promote the passage or defeat of a 28 public question in any election, or a continuing political committee, 29 shall knowingly accept from a candidate who has established only a 30 candidate committee, his campaign treasurer, deputy treasurer or 31 candidate committee, any contribution of money or other thing of 32 value which in the aggregate exceeds, in the case of such a political 33 committee, \$7,200 per election, or in the case of a continuing 34 political committee, \$7,200 per year, and no such political 35 committee or continuing political committee shall knowingly accept 36 from candidates who have established only a joint candidates 37 committee, their campaign treasurer, deputy campaign treasurer, or 38 joint candidates committee, any contribution of money or other 39 thing of value which in the aggregate exceeds, in the case of such a 40 political committee, \$7,200 per election per candidate in the joint 41 candidates committee, or in the case of a continuing political 42 committee, \$7,200 per year per candidate in the joint candidates 43 committee, and no such political committee or continuing political 44 committee shall knowingly accept from a candidate who has 45 established both a candidate committee and a joint candidates 46 committee any contribution of money or other thing of value which 47 in the aggregate exceeds, in the case of such a political committee, 48 \$7,200 per election from that candidate, or in the case of a

1 continuing political committee, \$7,200 per year from that candidate. 2 For the purpose of determining the amount of a contribution to be 3 attributed as given by each candidate in a joint candidates 4 committee, the amount of the contribution by such a committee 5

shall be divided equally among all the candidates in the committee.

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b. [No political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, and no continuing political committee shall pay or make any contribution of money or other thing of value to another political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, or another continuing political committee which in the aggregate exceeds, in the case of a recipient continuing political committee, \$7,200 per year, or in the case of a recipient political committee, \$7,200 per election. No political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, and no continuing political committee shall knowingly accept from another political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, or another continuing political committee any contribution of money or other thing of value which in the aggregate exceeds, in the case of a recipient continuing political committee, \$7,200 per year, or in the case of a recipient political committee, \$7,200 per election. (Deleted by amendment, P.L., c.) (pending before the Legislature as this bill)

c. [No individual, no corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States, no labor organization of any kind which exists or is constituted for the purpose, in whole or in part, of collective bargaining, or of dealing with employees concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, nor any other group, shall pay or make any contribution of money or other thing of value to a political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, or a continuing political committee, which in the aggregate exceeds, in the case of such a political committee, \$7,200 per election, or in the case of a continuing political committee, \$7,200 per year, and no such political committee or continuing political committee shall knowingly accept any contribution in excess of those amounts from an individual or from such corporation, labor organization, or other group. I (Deleted by amendment, P.L., c.) (pending before the

46 <u>Legislature as this bill</u>)

47 (cf: P.L.2001, c.384, s.3)

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6. (New section) a. In furtherance of the public policy expressed in section 2 of P.L.1974, c.26 (C.19:44A-27), whenever a "qualified candidate," as defined by section 19:25-15.3 of the New Jersey Administrative Code, is opposed by a "non-participating candidate," as defined by the same section of the code, and that "non-participating candidate" receives contributions or makes expenditures in an amount sufficient to become a "qualified candidate" but fails to qualify by September 1 of the year in which candidates for the office of Governor will appear on the ballot, there shall be no limitation as to the amount of contributions received by a "qualified candidate" which are eligible for match and the limitation as to the maximum amount that any "qualified candidate" may spend in aid of his or her candidacy shall be equal to the amount of monies appropriated by the Legislature pursuant to section 5 of P.L.1974, c.26 (C.19:44A-30).

b. The Election Law Enforcement Commission shall adopt such rules and regulations as it may deem necessary to implement this section.

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7. This act shall take effect on January 1 following the date of enactment.

STATEMENT

This bill establishes new limits for campaign contributions by individuals, certain groups and campaign committees.

Specifically, the bill:

- 1) bans each individual, corporation, union, political committee and continuing political committee from making contributions to candidate committees or joint candidates committees that exceed \$15,000 per year in total for all candidates; and
- 2) bans each individual, corporation, union, political committee and continuing political committee from making contributions to political party committees, legislative leadership committees, political committees, or continuing political committees that exceed \$50,000 per year in total for all such entities. These limitations do not apply to contributions between candidates committees, joint candidate committees, political party committees or legislative leadership committees of the same political party. The bill does provide for a quadrennial adjustment of these limitation by the Election Law Enforcement Commission based on changes in the consumer price index for the area during that four-year period.

The bill also provides that whenever a "qualified candidate," for the office of Governor, as defined by current regulation, is opposed by a "non-participating candidate," for the office of Governor, and that "non-participating candidate" receives contributions or makes expenditures in an amount sufficient to become a "qualified

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- 1 candidate," entitled to receive public financing for the gubernatorial election but fails to qualify by September 1 of the year in which 2 3 candidates for the office of Governor will appear on the ballot, there would be no limitation as to the amount of contributions received 4 by a "qualified candidate" which are eligible for match and the 5 6 limitation as to the maximum amount which any "qualified 7 candidate" may spend in aid of his or her candidacy would be equal 8 to the amount of monies appropriated by the Legislature pursuant to
- 9 current law.